

VZCZCXYZ0002  
RR RUEHWEB

DE RUEHSQ #0027/01 0121612  
ZNY CCCCC ZZH  
R 121612Z JAN 07  
FM AMEMBASSY SKOPJE  
TO RUEHC/SECSTATE WASHDC 5599  
INFO RUEHBW/AMEMBASSY BELGRADE 2008  
RUEHVJ/AMEMBASSY SARAJEVO 0228  
RUEHSF/AMEMBASSY SOFIA 5061  
RUEHTI/AMEMBASSY TIRANA 3496  
RUEHTH/AMEMBASSY ATHENS 1712  
RUEHVB/AMEMBASSY ZAGREB 2308  
RUEHNO/USMISSION USNATO 3648  
RUEKJCS/SECDEF WASHINGTON DC  
RUESEN/SKOPJE BETA  
RUEHSQ/USDAO SKOPJE MK  
RUEHPS/USOFFICE PRISTINA 4214  
RUEHBS/USEU BRUSSELS

C O N F I D E N T I A L SKOPJE 000027

SIPDIS

SIPDIS

STATE FOR EUR/SCE

E.O. 12958: DECL: 01/04/2017  
TAGS: [PGOV](#) [KCOR](#) [KOMC](#) [MASS](#) [PREL](#) [MK](#)  
SUBJECT: BUNGLED MACEDONIAN ARMS SHIPMENT TO BULGARIA:  
CORRUPTION OR INCOMPETENCE?

REF: A. SOFIA-SKOPJE E-MAIL DECEMBER 22 2006  
[1](#)B. DAO IIR 6 949 0010 07  
[1](#)C. DAO IIR 6 949 0009 07

Classified By: P/E OFFICER MLATHAM FOR REASONS 1.4 (B), (C) & (D).

#### Summary

-----  
[1](#)1. (C) Macedonian police intercepted and halted a shipment of military weapons bound for Bulgaria on December 14, claiming that the trucks lacked the proper paperwork and the required police escort. The shipment of machine guns and mortars was the last of four shipments of excess weapons the Macedonian Ministry of Defense had sold to a Bulgarian company. While the police action generated extensive local media coverage, characterizing the case as a corruption scandal, it remains unclear whether the irregularities actually stemmed from corruption or were due to sloppy procedures. The fallout from the intercepted shipment has worsened the already poor relationship between President Crvenkovski and the government, and has weakened both the Minister of Defense and the Chief of Defense (CHOD). It also has stained the MOD's reputation as the ministry furthest along on the NATO reform path. End summary.

#### Police Seize Military Weapons Shipment

-----  
[1](#)2. (U) On December 14, police from the Ministry of Interior seized three trucks transporting machine guns and mortars from Skopje to the Bulgarian arms trading firm EMCO in Sofia. The police claimed the shipment lacked both the proper documentation and the required police or military escort. The Bulgarian drivers of the trucks were detained, and then later released. The shipment was the last of four shipments of weapons sold by the MOD to EMCO under a contract signed by the Minister of Defense of the previous government. The MOD had designated the weapons as excess and requiring disposal. The Macedonian media immediately labeled the affair a corruption scandal, focusing on an alleged discrepancy between the stated and actual value of the weapons on several documents. Local commentators questioned why the shipment included unused and donated equipment.

[1](#)3. (C) The shipment included 300 unused German-manufactured

MG-3 machine guns donated by the USG out of its European "Cold War" stocks in Germany in 1999. The USG donated a total of 703 of the MG-3s to Macedonia at the time; emboffs have verified that the others have not been sold and are still being stored in Macedonian military warehouses. The MG-3s are not standard issue for the Macedonian military and can legitimately be considered excess. The GOM had signed an arms transfer agreement with the USG that required them to notify the USG if they intended to sell any donated military equipment. However, because the guns did not reach the border, the GOM did not technically violate the agreement. Emboffs have reminded MOD officials of their obligations under that agreement. The previous three MOD shipments to EMCO did not involve US-supplied arms.

14. (C) Chief of Defense Lieutenant General Miroslav Stojanovski told emboff that the shipment had originally been scheduled for December 15, and a military police escort had been requested. For still undetermined reasons, the shipment occurred a day early, without the escort. Note: Embassy Sofia reports that, according to their GOB contacts, the trucks originally had a military police escort (ref e-mail). According to GOB sources, the escort mysteriously disappeared minutes before the MOI stopped the trucks. We have no information to corroborate this claim. Those sources also claimed that EMCO is storing the previously shipped Macedonian equipment in a secure warehouse in Bulgaria, and has not yet filed an export license application for them. End Note.

15. (C) On December 18, emboff met separately with Minister of Defense Lazar Elenovski and Stojanovski. In those meetings, both presented the paperwork for the shipment; the listed value of at least some of the items, however, differed

substantially on the two documents shown to emboff. Elenovski noted that the listed values on his documents appeared to be too low, while the document Stojanovski presented included higher prices for some of the same items.

#### Shake-Up At The Ministry Of Defense

-----

16. (C) The arms seizure led to sharp public criticism of Elenovski and Stojanovski by the media and opposition politicians. Both officials said they had no knowledge of irregularities with the shipment until it was seized. It appears that MOI officials did not notify either of them before the enforcement action took place. The current and former commanders of MOD logistics, along with an advisor, were charged with abuse of office and are being held in detention pending the final results of the investigation. The MOD's Chief of Intelligence and Deputies for Intelligence and Counter Intelligence were fired. The justification for their dismissal was that the MOD's Intelligence Sector is responsible for detecting and preventing incidents of internal corruption.

17. (C) Some VMRO-DPMNE members of parliament publicly called on President Crvenkovski, who under the constitution has the authority to appoint and remove the Chief of Defense, to fire Stojanovski. (Some members of VMRO, the leading coalition party, have long been antagonistic to Stojanovski due to his role in providing military personnel to block a VMRO demonstration many years ago.) Crvenkovski refused to fire Stojanovski. Elenovski told emboff that he would have supported Stojanovski's dismissal, but that there is no suitably qualified replacement for the CHOD. Elenovski announced publicly that there likely would be a reshuffle of some members of the General Staff. Critics of Crvenkovski, including members of the ruling government coalition, used the affair to attack Crvenkovski's handling of the incident in his role as commander in chief.

Comment: Lots Of Smoke, But How Much Fire?

-----

18. (C) Though the details of the affair are still murky, and may never be fully known, the short-term damage to the MOD's image is significant. Elenovski's and Stojanovski's

opponents have used the incident to tarnish their reputations, while the government has used it as a basis for attacking President Crvenkovski. Despite the initial public outcry, it is difficult to determine the extent to which there is any substance to allegations of intentional wrongdoing. The equipment can legitimately be considered excess, and it was sold under a government contract to a company in a NATO-member country. However, Stojanovski's claim that proper shipment procedures were not followed due to incompetence rather than corruption is undercut by the existence of two sets of documents with substantially different values for the items in the shipment. The apparent attempt to sell USG-donated equipment without notifying us in advance appears to have been due to a lapse in MOD procedures rather than an intention to violate the arms transfer agreement.

MILOVANOVIC